



**LICKING VALLEY**  
RURAL ELECTRIC COOPERATIVE CORPORATION  
P. O. Box 605 • 271 Main Street  
West Liberty, KY 41472-0605  
(606) 743-3179



August 19, 2014

RECEIVED

AUG 21 2014

PUBLIC SERVICE  
COMMISSION

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd  
PO Box 615  
Frankfort, KY 40602-0615

RE: Case No. 2014-00051  
3<sup>rd</sup> Information Request

Dear Mr. Derouen:

Enclosed are an original and five (5) copies of Licking Valley Rural Electric Cooperative Corporation's response as requested in Case No. 2014-00051 3<sup>rd</sup> Information Request). The information has been provided by e-mail to all parties of record.

Please be advised that Mr. Kerry K. Howard, General Manager/CEO for Licking Valley RECC, is the witness responsible for Licking Valley's response.

Should you have any questions or need further information, please let me know.

Sincerely,

Kerry K. Howard  
General Manager/CEO

Enclosures

RECEIVED

AUG 21 2014

PUBLIC SERVICE  
COMMISSION

VERIFICATION

The undersigned, Kerry K. Howard, General Manager/CEO of Licking Valley Rural Electric Cooperative Corporation certifies that the response contained in this document are true and accurate to the best of his knowledge, information and belief formed after a reasonable inquiry.

  
Kerry K. Howard

COMMONWEALTH OF KENTUCKY

COUNTY OF MORGAN

Subscribed and sworn to before me by Kerry K. Howard, General Manager/CEO of Licking Valley Rural Electric Cooperative Corporation to be his free act and deed this 19<sup>th</sup> day of August, 2014.

  
Notary Public

(SEAL)  
NOTARY PUBLIC

My Commission Expires:

05/29/2016

ID: 466856

**Request 6.** This question is addressed to all member cooperatives. Refer to each member cooperative's July 31, 2013 monthly pass-through filing.

**Request 6a.** Provide the numerator used in the calculation of the respective member cooperative's pass-through mechanism factor, along with the expense month with which the numerator is associated.

**RESPONSE 6a:** Licking Valley's numerator is \$237,078. The expense month is July 2013.

**Request 6b.** Provide the denominator used in the calculation of the respective member cooperative's pass-through mechanism factor, along with the calculations and the months supporting the calculations of the denominator.

**RESPONSE 6b:** Licking Valley's denominator is \$2,171,730.

**Request 6c.** provide the month's revenue (amount and month of the year) each member cooperative's pass-through mechanism factor for July 2013 is applied to in arriving at the monthly environmental surcharge revenues recovered.

**RESPONSE 6c:** Licking Valley's Environmental factor of 10.92% was applied to August 2013 billing. The August 2013 monthly revenue was \$1,938,345.

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives  
Pass Through Mechanism Report for Licking Valley RECC

For the Month Ending October 2013

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Licking Valley	Non-Peak Event Adjustm	EKPC Net Monthly Sales to Licking Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Licking Valley	Licking Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Licking Valley Net Revenue Requirement	Licking Valley Total Monthly Retail Revenues	Non-Peak Retail Revenue Adjustme	Licking Valley Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Licking Valley Pass Through Mechanism Factor
	Col (1) - Col (2)			Col (4) - Col (5)			Col (3) x Col (7)		Col (8) + Col (9)		Col (11) - Col (12)		Col (10) / Col (14)		
Nov-11	15.11%	0.00%	15.11%	\$ 1,442,609	\$	1,442,809	\$ 1,482,052	\$ 223,938	\$ (4,922)	\$ 219,016	\$ 2,220,462	\$	2,220,462	\$ 2,165,478	10.05%
Dec-11	14.21%	0.00%	14.21%	\$ 1,698,715	\$	1,698,715	\$ 1,454,701	\$ 206,713	\$ (4,922)	\$ 201,791	\$ 2,765,628	\$	2,765,628	\$ 2,159,008	9.32%
Jan-12	12.09%	0.00%	12.09%	\$ 1,760,108	\$	1,760,108	\$ 1,428,678	\$ 172,727	\$ -	\$ 172,727	\$ 2,487,579	\$	2,487,579	\$ 2,090,189	8.00%
Feb-12	10.78%	0.00%	10.78%	\$ 1,579,437	\$	1,579,437	\$ 1,422,489	\$ 153,344	\$ -	\$ 153,344	\$ 2,187,722	\$	2,187,722	\$ 2,095,467	7.34%
Mar-12	12.92%	0.00%	12.92%	\$ 1,190,390	\$	1,190,390	\$ 1,407,230	\$ 181,814	\$ -	\$ 181,814	\$ 1,723,390	\$	1,723,390	\$ 2,059,095	6.68%
Apr-12	14.94%	0.00%	14.94%	\$ 1,080,482	\$	1,080,482	\$ 1,403,948	\$ 209,750	\$ -	\$ 209,750	\$ 1,730,601	\$	1,730,601	\$ 2,070,508	10.19%
May-12	18.90%	0.00%	18.90%	\$ 1,212,841	\$	1,212,841	\$ 1,407,435	\$ 237,857	\$ -	\$ 237,857	\$ 1,813,298	\$	1,813,298	\$ 2,081,858	11.49%
Jun-12	15.55%	0.00%	15.55%	\$ 1,348,633	\$	1,348,633	\$ 1,406,980	\$ 218,785	\$ -	\$ 218,785	\$ 2,110,180	\$	2,110,180	\$ 2,104,791	10.51%
Jul-12	14.51%	0.00%	14.51%	\$ 1,550,009	\$	1,550,009	\$ 1,403,685	\$ 203,675	\$ -	\$ 203,675	\$ 2,212,278	\$	2,212,278	\$ 2,085,816	9.88%
Aug-12	14.13%	0.00%	14.13%	\$ 1,388,845	\$	1,388,845	\$ 1,392,917	\$ 196,819	\$ -	\$ 196,819	\$ 1,987,768	\$	1,987,768	\$ 2,078,725	9.44%
Sep-12	16.23%	0.00%	16.23%	\$ 1,197,094	\$	1,197,094	\$ 1,390,209	\$ 225,831	\$ -	\$ 225,831	\$ 1,667,259	\$	1,667,259	\$ 2,084,438	10.88%
Oct-12	17.57%	0.00%	17.57%	\$ 1,227,424	\$	1,227,424	\$ 1,389,382	\$ 244,114	\$ -	\$ 244,114	\$ 2,022,836	\$	2,022,836	\$ 2,075,751	11.71%
Nov-12	16.23%	0.00%	16.23%	\$ 1,590,599	\$	1,590,599	\$ 1,401,715	\$ 255,533	\$ -	\$ 255,533	\$ 2,271,015	\$	2,271,015	\$ 2,079,964	12.31%
Dec-12	14.81%	0.00%	14.81%	\$ 1,693,400	\$	1,693,400	\$ 1,401,272	\$ 204,728	\$ -	\$ 204,728	\$ 2,712,774	\$	2,712,774	\$ 2,075,560	9.84%
Jan-13	13.49%	0.00%	13.49%	\$ 1,789,127	\$	1,789,127	\$ 1,403,690	\$ 189,358	\$ -	\$ 189,358	\$ 2,858,397	\$	2,858,397	\$ 2,107,981	9.12%
Feb-13	12.61%	0.00%	12.61%	\$ 1,634,362	\$	1,634,362	\$ 1,408,267	\$ 177,582	\$ -	\$ 177,582	\$ 2,388,468	\$	2,388,468	\$ 2,124,690	8.42%
Mar-13	14.37%	0.00%	14.37%	\$ 1,675,598	\$	1,675,598	\$ 1,448,701	\$ 208,178	\$ -	\$ 208,178	\$ 2,318,067	\$	2,318,067	\$ 2,174,080	9.80%
Apr-13	14.27%	0.00%	14.27%	\$ 1,252,416	\$	1,252,416	\$ 1,483,029	\$ 208,774	\$ -	\$ 208,774	\$ 1,725,718	\$	1,725,718	\$ 2,173,673	9.60%
May-13	17.97%	0.00%	17.97%	\$ 1,231,265	\$	1,231,265	\$ 1,464,564	\$ 283,162	\$ -	\$ 283,162	\$ 1,842,124	\$	1,842,124	\$ 2,178,075	12.11%
Jun-13	17.09%	0.00%	17.09%	\$ 1,334,380	\$	1,334,380	\$ 1,483,543	\$ 250,120	\$ -	\$ 250,120	\$ 2,058,044	\$	2,058,044	\$ 2,171,730	11.49%
Jul-13	15.77%	0.00%	15.77%	\$ 1,415,429	\$	1,415,429	\$ 1,452,328	\$ 229,032	\$ 8,048	\$ 237,078	\$ 2,230,547	\$	2,230,547	\$ 2,173,253	10.92%
Aug-13	15.49%	0.00%	15.49%	\$ 1,348,400	\$	1,348,400	\$ 1,448,958	\$ 224,444	\$ 7,528	\$ 231,972	\$ 1,938,345	\$	1,938,345	\$ 2,169,133	10.67%
Sep-13	14.93%	0.00%	14.93%	\$ 1,175,363	\$	1,175,363	\$ 1,447,149	\$ 218,059	\$ 7,528	\$ 223,587	\$ 1,617,259	\$	1,617,259	\$ 2,164,966	10.31%
Oct-13	16.69%	0.00%	16.69%	\$ 1,148,033	\$	1,148,033	\$ 1,440,533	\$ 240,425	\$ 7,528	\$ 247,953					11.45%

Sum of Aug 12-Jul 13 =  
17,427,939. / 12 =  
1,452,328. X 15.77% =  
229,032. + 8,048. =  
237,078.

Sum of Aug 12 - July 13 =  
28,079,033. / 12 =  
2,173,252.

Request 7. This question is addressed to all member cooperatives. For the month of July 2005, provide the following:

Request 7a. Identify the month in which the member cooperative's revenue requirement was used, along with the months in which the member cooperative's 12-month-ended average retail revenue was used in calculating the pass-through mechanism factor.

RESPONSE 7a: Licking Valley's July 2005 revenue requirement was used in calculating July 2005 pass-through mechanism factor. Licking Valley used months July 2004 through June 2005 in calculating July 2005 pass-through mechanism factor.

Request 7b. Identify the member cooperative's month revenues (amount and month of the year) the pass-through mechanism factor was applied to arrive at the member cooperative's monthly environmental surcharge revenues.

RESPONSE 7b: Licking Valley's July 2005 pass-through mechanism factor was applied to August 2005 revenue. The August 2005 monthly revenue was \$1,911,749.

Request 7c. Identify the member cooperative's month revenues (amount and month of the year) and the member cooperative's month expense (amount and month of the year) used in calculating any over/under recovery, along with the month the over/under recovery is reflected, in the member cooperative's response the Information Request of Commission Staff following the June 18 2014 Informal Conference ("Staff's IC Information Request"), item 2.

*Staff's IC Information Request - Item 2: Provide a calculation from each member of your total over-or-under recovery from the inception of the surcharge in July 2005 through and including December 2013.*

*Response: Licking Valley has a total over recovery of \$91,944.00. See Exhibit A.*

RESPONSE 7c: For the month of July 2005, Licking Valley's July 2005 revenues in the amount of \$38,553 and the surcharge from the July 2005 EKPC power bill of \$69,818 results in an under-recovery for that period of \$31,265. While Licking Valley wants to be responsive to the Commission Staff's request, it respectfully submits that it does not understand what is being requested when asked to identify the month the under-recovery is "reflected".

Request 8. This question is addressed to all member cooperatives. For the month of December 2013, provide the following:

Request 8a. Identify the month in which the member cooperative's revenue requirement was used, along with the months in which the member cooperative's 12 months-ended average retail revenue was used, in calculating the pass-through mechanism factor.

RESPONSE 8a: Licking Valley's December 2013 revenue requirement was used in calculating December 2013 pass-through mechanism factor. Licking Valley used months December 2012 through November 2013 in calculating December 2013 pass-through mechanism factor.

Request 8b. Provide the member cooperative's month revenues the pass through mechanism factor was applied to arrive at the member cooperative's monthly environmental surcharge revenues.

RESPONSE 8b: Licking Valley's December 2013 pass-through mechanism factor was applied to January 2014 revenue. The January 2014 monthly revenue was \$3,308,644.

Request 8c. Provide the member cooperative's month revenue and the member cooperative's month expense used in calculating any over/under recovery, along with the month the over/under recovery is reflected in the member cooperative's response to Staff's IC Information Request, item 2.

*Staff's IC Information Request - Item 2: Provide a calculation from each member of your total over-or-under recovery from the inception of the surcharge in July 2005 through and including December 2013.*

*Response: Licking Valley has a total over recovery of \$91,944.00. See Exhibit A.*

RESPONSE 8c: For the month of December 2013, Licking Valley's December 2013 revenues in the amount of \$342,544 and the surcharge from the December 2013 EKPC power bill of \$306,483 results in an over-recovery for that period of \$36,061. While Licking Valley wants to be responsive to the Commission Staff's request, it respectfully submits that it does not understand what is being requested when asked to identify the month the over-recovery is "reflected".

Request 8d. If there was a change in the calculations between Item No. 8(c) and Item No. 7(c) fully explain the reason for the change and provide any Commission supporting for the change.

RESPONSE 8d: There was no change in the approach used to calculate the amounts provided in those responses.

Request 9. This question is addressed to all member cooperatives. In a month when there is an amortization of an over- or under-recovery amount applied in the calculation of the pass-through mechanism factor, do the member cooperatives agree that the pass-through factor is a net factor, and the net factor is a combination of the pass-through factor that is attributed to the member cooperative's revenue requirement divided by the 12-months-ended average retail revenues and the member cooperative's amortization of any over- or under-recovery amount also divided by the 12-months-ended average retail revenues? If not, explain.

Response 9. Licking Valley agrees that in a month when there is an amortization of an over- or under-recovery amount applied in the calculation of the pass-through mechanism factor that the pass-through factor is a net factor. However, Licking Valley does not agree with the description of the calculation of the pass-through factor as stated in the request. As clearly shown on the monthly "Pass Through Mechanism Report" filed for Licking Valley, the monthly revenue requirement shown in column 8 is combined with the amortization of over- or under-recovery shown in column 9. The net amount is shown in column 10. The net amount in column 10 is divided by the 12-months ended average net retail revenues shown in column 14, producing the pass-through factor shown in column 15. While the approach described in the request essentially produces the same result mathematically, separate pass-through factor components are not calculated for the monthly revenue requirement and the amortization of the over- or under-recovery.

**Request 10.** This question is addressed to all member cooperatives.

**Request 10a.** Does each member cooperative have a monthly Fuel Adjustment Clause ("FAC") that contains a prior month over- or under-recovery mechanism in the calculations?

**Response 10a.** Yes.

**Request 10b.** If the answer to 10.a. above is yes, does each member cooperative remove the prior month over- or under-recovery amount in calculating the current month's over- or under-recovery amount?

**Response 10b.** No.

**Request 10c.** If the answer to 10.b. above is no, explain why it is appropriate to remove any over- or under-recovery amount in the environmental surcharge, but it is not required to remove any over/under recovery in the FAC.

**Response 10c.** It should be noted that the environmental surcharge is established by KRS 278.183 while the FAC is established by 807 KAR 5:056 and neither explicitly address how over- and under-recoveries are to be handled.

Under the FAC for the Member Cooperatives, the over- or under-recovery from the second previous month is incorporated into the calculations of the current FAC. The current FAC is applied to retail customer bills rendered two months later. Thus, there is a four month lag from the inception of an over- or under- recovery until it is refunded or collected on the retail customers' bill. Each month the retail customers' bill will include a single month's FAC over- or under-recovery amount. There is no adjustment to remove any previous month's over- or under-recovery amount in calculating the current month's over- or under-recovery.

Under the environmental surcharge, the over- or under-recovery is determined during the periodic six-month and two-year surcharge review cases. Under normal circumstances, the over- or under-recovery determined during a surcharge review case will cover six months of surcharge operation and the amortization period of the over- or under-recovery has been six months. While the amortization results in an equal dollar amount being included in the retail customers' bills during the amortization period, rather than an amount that reflects month to month changes in sales volumes, it is essentially the same

approach as the FAC. Each month during the amortization period will reflect a single month's surcharge over- or under-recovery amount. There have been no adjustments to remove any previous month's over- or under-recovery amount when calculating the current month's over- or under-recovery. However, the processing of Case Nos. 2012-00486 and 2013-00140 were not normal circumstances. Case No. 2012-00486 reviewed the last six months of a two-year review period and two subsequent six-month review periods, for a total of 18 months of surcharge operations. The case was opened on November 16, 2012 and the Commission's final Order was dated August 2, 2013. Although the review period covered 18 months of surcharge operations, the over- and under-recoveries determined for the Member Cooperatives were amortized over six months. The first month of the amortization of the over- and under-recoveries was reflected in the Member Cooperatives' surcharge pass-through factors filed with the Commission on August 20, 2013. Case No. 2013-00140 covered a single six-month review period. This case was opened on May 14, 2013 and the Commission's final Order was dated September 17, 2013. The over- and under-recoveries determined for the Member Cooperatives were amortized over six months. The first month of the amortization of the over- and under-recoveries was reflected in the Member Cooperatives' surcharge pass-through factors filed with the Commission on September 20, 2013. Because of the number of review periods included in the two cases and the overlapping of the amortization periods for these two cases, over- and under-recoveries resulting from 24 months of surcharge operations were amortized over a total of seven months. Thus, the normal situation where six months of surcharge operations are reflected in six months of over- or under- recovery amortization no longer was in force. Without some adjustment to remove the effects of amortizing over- or under-recoveries resulting from 24 months of surcharge operations over seven months, subsequent surcharge review over- and under-recovery calculations will be skewed.

**11. This question is addressed to all member cooperatives.**

**11a. Provide the schedules which support the amount of both the environmental surcharge revenues and the environmental surcharge expenses removed from their cost-of-service on Schedule S for each of their rate filings which cover the period July 2005 through December 2013.**

**RESPONSE:** See Case No. 2009-00016, attached Exhibit 14 and Exhibit S,

**11b. Provide an analysis comparing the monthly amounts in 12a above with the same monthly amounts the member cooperatives provided in their response to Staff's IC Information Request, Item No. 2.**

**RESPONSE:** See Response 11b attached.

**11c. If there is a difference in the monthly revenue and/or expense amounts in the response to 11b above, provide a complete explanation of the reason(s) for the difference.**

**RESPONSE:** The difference as shown in attached Response 11b may be attributed to rounding of calculations in Case No. 2009-00016.

Licking Valley Rural Electric Cooperative  
Case No. 2009-00016  
Statement of Operations, Adjusted

Exhibit S  
page 1 of 4  
Witness: Jim Adkins

	<u>Actual Test Year</u>	<u>Normalized Adjustments</u>	<u>Normalized Test Year</u>	<u>Proposed Increase</u>	<u>Proposed Test Year</u>
<b>Operating Revenues:</b>					
Base rates	21,028,486	1,402,168	22,430,654	2,072,665	24,503,319
Fuel and surcharge	3,384,727	(3,384,727)	0		0
Other electric revenue	400,806	21,994	422,800		422,800
	<u>24,814,019</u>	<u>(1,960,565)</u>	<u>22,853,454</u>	<u>2,072,665</u>	<u>24,926,119</u>
<b>Operating Expenses:</b>					
<b>Cost of power:</b>					
Base rates	14,832,395	1,401,497	16,233,892		16,233,892
Fuel and surcharge	3,548,709	(3,548,709)	0		0
Distribution - operations	1,370,886	41,059	1,411,945		1,411,945
Distribution - maintenance	1,628,353	52,561	1,680,914		1,680,914
Consumer accounts	691,343	24,721	716,064		716,064
Customer service	20,021	2,157	22,178		22,178
Sales	52,412	0	52,412		52,412
Administrative and general	943,247	57,220	1,000,467		1,000,467
Total operating expenses	<u>23,087,366</u>	<u>(1,969,494)</u>	<u>21,117,872</u>	<u>0</u>	<u>21,117,872</u>
Depreciation	1,915,787	51,852	1,967,639		1,967,639
Taxes - other	25,676	0	25,676		25,676
Interest on long-term debt	955,161	34,587	989,748		989,748
Interest expense - other	74,306	0	74,306		74,306
Other deductions	17,697	(17,697)	0		0
Total cost of electric servic	<u>26,075,993</u>	<u>(1,900,752)</u>	<u>24,175,241</u>	<u>0</u>	<u>24,175,241</u>
Utility operating margins	<u>(1,261,974)</u>	<u>(59,813)</u>	<u>(1,321,787)</u>	<u>2,072,665</u>	<u>750,878</u>
Nonoperating margins, intere	172,066	0	172,066		172,066
Patronage capital redits	308,643	(241,839)	66,804		66,804
Net Margins	<u>(\$781,265)</u>	<u>(\$301,652)</u>	<u>(\$1,082,917)</u>	<u>\$2,072,665</u>	<u>\$989,748</u>
TIER	0.18		(0.09)		2.00

Licking Valley Rural Electric Cooperative  
Case No. 2009-00016  
Balance Sheet, Adjusted  
December 31, 2008

Exhibit S  
page 2 of 4  
Witness: Jim Adkins

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	<u>Actual Test Year</u>	<u>Adjustments to Test Year</u>	<u>Adjusted Test Year</u>
<b><u>ASSETS</u></b>			
Electric Plant:			
In service	52,852,675		52,852,675
Under construction	682,760		682,760
	<u>53,535,435</u>		<u>53,535,435</u>
Less accumulated depreciation	16,757,014	76,177	16,833,191
	<u>36,778,421</u>	<u>(76,177)</u>	<u>36,702,244</u>
Investments	<u>6,540,710</u>		<u>6,540,710</u>
Current Assets:			
Cash and temporary investments	3,392,862		3,392,862
Accounts receivable, net	5,345,078		5,345,078
Material and supplies	654,095		654,095
Prepayments and current assets	75,719		75,719
	<u>9,467,754</u>		<u>9,467,754</u>
Net change in assets		1,847,190	1,847,190
Total	<u>52,786,885</u>	<u>1,771,013</u>	<u>54,557,898</u>
<b><u>MEMBERS' EQUITIES AND LIABILITIES</u></b>			
Margins:			
Memberships	211,065		211,065
Patronage capital	20,102,665	1,771,013	21,873,678
	<u>20,313,730</u>	<u>1,771,013</u>	<u>22,084,743</u>
Long Term Debt	<u>25,443,200</u>		<u>25,443,200</u>
Accumulated postretirement benefits	<u>3,030,498</u>		<u>3,030,498</u>
Current Liabilities:			
Accounts payable	2,093,987		2,093,987
Consumer deposits	1,269,285		1,269,285
Accrued expenses	298,284		298,284
	<u>3,661,556</u>		<u>3,661,556</u>
Consumer advances for construction	<u>337,901</u>		<u>337,901</u>
Total	<u>52,786,885</u>	<u>1,771,013</u>	<u>54,557,898</u>

Licking Valley Rural Electric Cooperative  
Case No. 2009-00016  
Summary of Adjustments to Test Year

Exhibit S  
page 3 of 4  
Witness: Jim Adkins

	Adj 1	Adj 2	Adj 3	Adj 4	Adj 5	Adj 6	Adj 7	Adj 8	Adj 9	Adj 10	Adj 11	Adj 12	Adj 13	Adj 14	Adj 15	Adj 16	Adj 17		
	Salaries	Payroll Taxes	Deprec	Property Tax	Interest	FAS 106 Cost	Retirement	Donations	Professional Fees	Directors	Misc Expenses	Rate Case	CATV	EKPC	Normalize Purchase Power	Revenue	Additional Revenue	Total	
<b>Operating Revenues:</b>																			
Base rates																			1,402,168
Fuel and surcharge																			(3,384,727)
Other electric revenue													5,959						18,035
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,959</u>	<u>0</u>	<u>0</u>	<u>(1,982,559)</u>	<u>16,035</u>	<u>(1,960,565)</u>	
<b>Operating Expenses:</b>																			
Cost of power:																			
Base rates																			1,401,497
Fuel and surcharge																			(3,548,709)
Distribution - operation:	32,805	3,379	5,685	(10,008)		4,808	4,390												41,059
Distribution - maintain:	30,647	3,157	10,104			4,492	4,101												52,561
Consumer accounts	15,982	1,646	2,612			2,342	2,139												24,721
Customer service			2,157																2,157
Sales																			0
Administrative and gen	20,770	2,139	3,707	(769)		3,044	2,779		7,188	(3,285)	(2,353)	24,000							57,220
<b>Total operating expen</b>	<u>100,204</u>	<u>10,321</u>	<u>24,325</u>	<u>(10,777)</u>	<u>0</u>	<u>14,686</u>	<u>13,409</u>	<u>0</u>	<u>7,188</u>	<u>(3,285)</u>	<u>(2,353)</u>	<u>24,000</u>	<u>0</u>	<u>0</u>	<u>(2,147,212)</u>	<u>0</u>	<u>0</u>	<u>(1,989,494)</u>	
Depreciation			51,852																51,852
Taxes - other																			0
Interest on long-term debt					34,587														34,587
Interest expense - other																			0
Other deductions								(17,697)											(17,697)
<b>Total cost of electric s</b>	<u>100,204</u>	<u>10,321</u>	<u>76,177</u>	<u>(10,777)</u>	<u>34,587</u>	<u>14,686</u>	<u>13,409</u>	<u>(17,697)</u>	<u>7,188</u>	<u>(3,285)</u>	<u>(2,353)</u>	<u>24,000</u>	<u>0</u>	<u>0</u>	<u>(2,147,212)</u>	<u>0</u>	<u>0</u>	<u>(1,900,752)</u>	
<b>Utility operating margi</b>	<u>(100,204)</u>	<u>(10,321)</u>	<u>(76,177)</u>	<u>10,777</u>	<u>(34,587)</u>	<u>(14,686)</u>	<u>(13,409)</u>	<u>17,697</u>	<u>(7,188)</u>	<u>3,285</u>	<u>2,353</u>	<u>(24,000)</u>	<u>5,959</u>	<u>0</u>	<u>2,147,212</u>	<u>(1,982,559)</u>	<u>16,035</u>	<u>(59,513)</u>	
<b>Nonoperating margins, Interest</b>																			0
Patronage capital credits														(241,839)					(241,839)
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(241,839)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(241,839)</u>	
<b>Net Margins</b>	<u>(100,204)</u>	<u>(10,321)</u>	<u>(76,177)</u>	<u>10,777</u>	<u>(34,587)</u>	<u>(14,686)</u>	<u>(13,409)</u>	<u>17,697</u>	<u>(7,188)</u>	<u>3,285</u>	<u>2,353</u>	<u>(24,000)</u>	<u>5,959</u>	<u>(241,839)</u>	<u>2,147,212</u>	<u>(1,982,559)</u>	<u>16,035</u>	<u>(301,652)</u>	

Exhibit S  
page 4 of 4  
Witness: Jim Adkins

Licking Valley Rural Eelctric Cooperative  
Case No. 2009-00016  
Proposed Revenues  
December 31, 2008

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Interest on long term debt	989,748
Normalized margins	<u>(1,082,917)</u>
Proposed increase in revenues over normalized revenues to attain a TIER of 2.0x	<u><u>\$2,072,665</u></u>

Licking Valley Rural Electric  
Case No. 2009-00016  
Purchased Power  
December 31, 2008

EKPC Case No. 2008-00510	Case No.
Billing Rates	1-Aug-07 2008-00409
KW-Sch C	\$6.22 \$8.81
KW-Sch E2	\$5.22 \$5.71
KWH-Sch B/C	\$0.033455 \$0.036622
KWH-Sch E2 On-Peak	\$0.042470 \$0.046491
KWH-Sch E2 Off-Peak	\$0.034904 \$0.038209
KVA 3000-7499	\$2,373 \$2,598
KVA 7500-14999	\$2,855 \$3,125
Metering Point	\$125 \$137
Green Power	\$0.023750 \$0.023750

	Billing Demand		Total KWH Billing			Green Power	Metering Point	Substation Charge			Total from Base Rates	Fuel Adjustment	Environmental Surcharge	Total
	Schedule E	Schedule E	On-Peak	Off-Peak	Energy Charges			3000	7500	Total				
January	392,351	830,122	644,514		1,274,638	74	1,250	7,119	19,985	27,104	1,695,415	199,480	142,681	2,037,576
February	329,925	533,981	550,101		1,084,062	74	1,250	7,119	19,985	27,104	1,442,415	193,798	102,913	1,739,126
March	312,939	476,089	498,646		974,736	71	1,250	7,119	19,985	27,104	1,316,101	139,975	92,601	1,548,677
April	240,465	360,460	365,649		726,109	69	1,250	7,119	19,985	27,104	994,996	173,135	69,850	1,237,981
May	183,582	404,355	279,831		684,188	88	1,250	7,119	19,985	27,104	896,210	140,655	58,060	1,094,925
June	261,196	549,450	277,852		827,302	88	1,250	7,119	19,985	27,104	1,116,943	105,116	74,662	1,296,721
July	257,952	597,434	294,766		892,200	88	1,250	7,119	19,985	27,104	1,178,593	271,270	91,336	1,541,199
August	250,341	580,100	288,574		868,674	88	1,250	7,119	19,985	27,104	1,147,457	128,710	83,582	1,359,749
September	252,152	500,272	265,205		765,477	88	1,250	7,119	19,985	27,104	1,046,071	196,683	62,885	1,325,639
October	252,444	382,378	385,706		768,082	68	1,250	7,119	19,985	27,104	1,048,969	289,979	76,451	1,415,399
November	324,799	499,711	507,592		1,007,304	88	1,250	7,119	19,985	27,104	1,360,544	317,810	130,570	1,808,924
December	370,192	592,295	597,754		1,190,048	88	1,250	7,119	19,985	27,104	1,588,682	245,468	141,039	1,975,189
<b>Total</b>	<b>3,428,339</b>	<b>6,106,626</b>	<b>4,956,192</b>		<b>11,062,818</b>	<b>990</b>	<b>15,000</b>	<b>85,428</b>	<b>239,820</b>	<b>325,248</b>	<b>14,832,396</b>	<b>2,402,079</b>	<b>1,146,630</b>	<b>18,381,105</b>

Normalized using rates effective August 1, 2007

<u>3,428,339</u>	<u>6,106,626</u>	<u>4,956,192</u>	<u>11,062,818</u>	<u>990</u>	<u>15,000</u>	<u>85,428</u>	<u>239,820</u>	<u>325,248</u>	14,832,396
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Normalized Adjustment 0

Normalized in EKPC Case No. 2008-00409

<u>3,750,157</u>	<u>6,684,793</u>	<u>5,425,485</u>	<u>12,110,278</u>	<u>990</u>	<u>16,440</u>	<u>93,528</u>	<u>262,500</u>	<u>356,028</u>	16,233,893
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Normalized Adjustment 1,401,497

Licking Valley Rural Electric  
Case No. 2009-00016  
Purchased Power  
Test Year Billing Determinants  
December 31, 2008

Billing Demand	<u>Total KWH Billing</u>							
	<u>Schedule E</u>	<u>Schedule E</u>		<u>Total Kwh</u>	<u>Green Power</u>	<u>Metering Point</u>	<u>Substation Charge</u>	
		<u>On-Peak</u>	<u>Off-Peak</u>				<u>2373</u>	<u>2855</u>
January	75,163	14,836,876	18,465,340	33,302,216	3,100	10	3	7
February	63,204	12,572,664	15,760,413	28,333,077	3,100	10	3	7
March	59,950	11,209,999	14,286,264	25,496,263	3,000	10	3	7
April	46,066	8,487,405	10,475,840	18,963,245	2,900	10	3	7
May	35,169	9,520,967	8,017,150	17,538,117	3,700	10	3	7
June	50,038	12,937,377	7,960,461	20,897,838	3,700	10	3	7
July	49,416	14,067,197	8,445,053	22,512,250	3,700	10	3	7
August	47,958	13,659,065	8,267,642	21,926,707	3,700	10	3	7
September	48,305	11,779,417	7,598,140	19,377,557	3,700	10	3	7
October	48,361	9,003,445	11,050,479	20,053,924	3,700	10	3	7
November	62,222	11,766,219	14,542,528	26,308,747	3,700	10	3	7
December	70,918	13,946,188	17,125,645	31,071,833	3,700	10	3	7
<b>Total</b>	<b>656,770</b>	<b>143,786,819</b>	<b>141,994,955</b>	<b>285,781,774</b>	<b>41,700</b>	<b>120</b>	<b>36</b>	<b>84</b>

Exhibit 14  
page 3 of 3  
Witness: Jim Adkins

**Licking Valley Rural Electric**  
**Case No. 2009-00016**  
**Analysis of Fuel Adjustment and Environmental Surcharge**  
**December 31, 2008**

An analysis of fuel adjustment and environmental surcharge as purchased and passed on to consumers as follows:

<u>Month</u>	<u>Sales</u>		<u>Purchased</u>	
	<u>Fuel Adjustment</u>	<u>Environmental Surcharge</u>	<u>Fuel Adjustment</u>	<u>Environmental Surcharge</u>
January	17,346	123,509	199,480	142,681
February	148,291	93,189	193,798	102,913
March	151,612	82,586	139,975	92,601
April	123,829	62,282	173,135	69,850
May	235,812	71,368	140,655	58,060
June	236,583	76,727	105,116	74,662
July	85,696	75,784	271,270	91,336
August	205,610	74,801	128,710	83,582
September	98,655	63,711	196,683	82,885
October	260,410	73,733	289,979	76,451
November	433,304	132,738	317,810	130,570
December	<u>321,204</u>	<u>135,948</u>	<u>245,468</u>	<u>141,039</u>
<b>Total</b>	<u><b>2,318,350</b></u>	<u><b>1,066,377</b></u>	<u><b>2,402,079</b></u>	<u><b>1,146,630</b></u>

The fuel purchased and environmental surcharge from East Kentucky Power Cooperative is passed on to the consumers using the Fuel Adjustment and Environmental Procedures established by this Commission.

Case No. 2013-00052

IC Information Request , Item No. 2.

**LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION**

<b>Accounting Period</b>	<b>Power Bill Date</b>	<b>EKPC (power bills)</b>	<b>LV RECC (billed to mems)</b>	<b>monthly</b>	<b>(over)/under cumulative</b>
January-08	January-08	142,681.00	123,514.00	19,167.00	(2,973.00)
February-08	February-08	102,913.00	93,189.00	9,724.00	6,751.00
March-08	March-08	92,601.00	82,586.00	10,015.00	16,766.00
April-08	April-08	69,850.00	62,282.00	7,568.00	24,334.00
May-08	May-08	58,060.00	71,367.00	(13,307.00)	11,027.00
June-08	June-08	74,662.00	76,730.00	(2,068.00)	8,959.00
July-08	July-08	91,336.00	75,787.00	15,549.00	24,508.00
August-08	August-08	83,582.00	74,806.00	8,776.00	33,284.00
September-08	September-08	82,885.00	63,714.00	19,171.00	52,455.00
October-08	October-08	76,451.00	73,730.00	2,721.00	55,176.00
November-08	November-08	130,570.00	132,740.00	(2,170.00)	53,006.00
December-08	December-08	141,039.00	135,944.00	5,095.00	58,101.00
Sum of January 2008 - December 2008			\$ 1,066,389.00		

Case No. 2009-00016

Exhibit 14

Page 3 of 3

Month	2009-00016 Environmental Surcharge	Environmental Surcharge Billed	Difference
			Case No. 2009-00016 and Case No. 2013-00052
January 2008	123,509.00	123,514.00	(5.00)
February 2008	93,189.00	93,189.00	-
March 2008	82,586.00	82,586.00	-
April 2008	62,282.00	62,282.00	-
May 2008	71,368.00	71,367.00	1.00
June 2008	76,727.00	76,730.00	(3.00)
July 2008	75,784.00	75,787.00	(3.00)
August 2008	74,801.00	74,806.00	(5.00)
September 2008	63,711.00	63,714.00	(3.00)
October 2008	73,733.00	73,730.00	3.00
November 2008	132,738.00	132,740.00	(2.00)
December 2008	135,948.00	135,944.00	4.00
	1,066,376.00	1,066,389.00	(13.00)

**12. This question is addressed to all member cooperatives. For each of the member cooperatives, provide the following:**

**12a. The cumulative over/under recovery for the 24-month period ending December 31, 2013.**

**RESPONSE: (\$88,401.)**

**12b. If the amount provided in 12a above is amortized over a six-month period, provide the bill impact of the average residential customer.**

**RESPONSE: In the calculations Licking Valley found that  $1/6^{\text{th}}$  of the cumulative over-recovery of \$88,401. is \$14,733.50. In determining the bill impact on the average residential customer we had to take into consideration that Licking Valley was already amortizing a previous over-recovery.**

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives  
Pass Through Mechanism Report for Licking Valley RECC

For the Month Ending June 2014

Surcharge Factor Expense Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)
	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Licking Valley	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Licking Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Licking Valley	Licking Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Licking Valley Net Revenue Requirement	Licking Valley Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Licking Valley Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Licking Valley Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Jul-12	14.51%	0.00%	14.51%	\$ 1,550,009		\$ 1,550,009	\$ 1,403,685	\$ 203,675	\$ -	\$ 203,675	\$ 2,212,278		\$ 2,212,278	\$ 2,085,816	9.68%
Aug-12	14.13%	0.00%	14.13%	\$ 1,386,845		\$ 1,386,845	\$ 1,392,917	\$ 198,819	\$ -	\$ 198,819	\$ 1,987,786		\$ 1,987,786	\$ 2,076,725	9.44%
Sep-12	16.23%	0.00%	16.23%	\$ 1,197,094		\$ 1,197,094	\$ 1,390,209	\$ 225,831	\$ -	\$ 225,831	\$ 1,667,259		\$ 1,667,259	\$ 2,084,436	10.86%
Oct-12	17.57%	0.00%	17.57%	\$ 1,227,424		\$ 1,227,424	\$ 1,389,382	\$ 244,114	\$ -	\$ 244,114	\$ 2,022,836		\$ 2,022,836	\$ 2,075,751	11.71%
Nov-12	16.23%	0.00%	16.23%	\$ 1,590,599		\$ 1,590,599	\$ 1,401,715	\$ 255,533	\$ -	\$ 255,533	\$ 2,271,015		\$ 2,271,015	\$ 2,079,984	12.31%
Dec-12	14.61%	0.00%	14.61%	\$ 1,693,400		\$ 1,693,400	\$ 1,401,272	\$ 204,728	\$ -	\$ 204,728	\$ 2,712,774		\$ 2,712,774	\$ 2,075,560	9.84%
Jan-13	13.49%	0.00%	13.49%	\$ 1,769,127		\$ 1,769,127	\$ 1,403,690	\$ 189,358	\$ -	\$ 189,358	\$ 2,856,397		\$ 2,856,397	\$ 2,107,981	9.12%
Feb-13	12.61%	0.00%	12.61%	\$ 1,634,362		\$ 1,634,362	\$ 1,406,267	\$ 177,582	\$ -	\$ 177,582	\$ 2,388,468		\$ 2,388,468	\$ 2,124,690	8.42%
Mar-13	14.37%	0.00%	14.37%	\$ 1,675,598		\$ 1,675,598	\$ 1,446,701	\$ 208,178	\$ -	\$ 208,178	\$ 2,316,067		\$ 2,316,067	\$ 2,174,080	9.80%
Apr-13	14.27%	0.00%	14.27%	\$ 1,252,416		\$ 1,252,416	\$ 1,463,029	\$ 208,774	\$ -	\$ 208,774	\$ 1,725,716		\$ 1,725,716	\$ 2,173,673	9.60%
May-13	17.97%	0.00%	17.97%	\$ 1,231,265		\$ 1,231,265	\$ 1,464,584	\$ 263,182	\$ -	\$ 263,182	\$ 1,842,124		\$ 1,842,124	\$ 2,176,075	12.11%
Jun-13	17.09%	0.00%	17.09%	\$ 1,334,380		\$ 1,334,380	\$ 1,463,543	\$ 250,120	\$ -	\$ 250,120	\$ 2,058,044		\$ 2,058,044	\$ 2,171,730	11.49%
Jul-13	15.77%	0.00%	15.77%	\$ 1,415,429		\$ 1,415,429	\$ 1,452,328	\$ 229,032	\$ 8,046	\$ 237,078	\$ 2,230,547		\$ 2,230,547	\$ 2,173,253	10.92%
Aug-13	15.49%	0.00%	15.49%	\$ 1,346,400		\$ 1,346,400	\$ 1,448,958	\$ 224,444	\$ 7,528	\$ 231,972	\$ 1,938,345		\$ 1,938,345	\$ 2,169,133	10.67%
Sep-13	14.93%	0.00%	14.93%	\$ 1,175,383		\$ 1,175,383	\$ 1,447,149	\$ 216,059	\$ 7,528	\$ 223,587	\$ 1,817,259		\$ 1,817,259	\$ 2,184,966	10.31%
Oct-13	16.69%	0.00%	16.69%	\$ 1,148,033		\$ 1,148,033	\$ 1,440,533	\$ 240,425	\$ 7,528	\$ 247,953	\$ 1,956,227		\$ 1,956,227	\$ 2,159,415	11.45%
Nov-13	17.43%	0.00%	17.43%	\$ 1,524,376		\$ 1,524,376	\$ 1,435,014	\$ 250,123	\$ 7,528	\$ 257,651	\$ 2,421,009		\$ 2,421,009	\$ 2,171,915	11.93%
Dec-13	14.54%	0.00%	14.54%	\$ 1,758,368		\$ 1,758,368	\$ 1,440,428	\$ 209,438	\$ 7,528	\$ 216,966	\$ 2,871,954		\$ 2,871,954	\$ 2,165,180	9.99%
Jan-14	10.92%	0.00%	10.92%	\$ 2,231,163		\$ 2,231,163	\$ 1,477,264	\$ 161,317	\$ (518)	\$ 160,799	\$ 3,308,644		\$ 3,308,644	\$ 2,222,867	7.36%
Feb-14	5.44%	0.00%	5.44%	\$ 1,613,621		\$ 1,613,621	\$ 1,492,203	\$ 61,176	\$ -	\$ 61,176	\$ 2,442,767		\$ 2,442,767	\$ 2,227,392	3.65%
Mar-14	11.62%	0.00%	11.62%	\$ 1,690,867		\$ 1,690,867	\$ 1,493,475	\$ 173,542	\$ (117)	\$ 173,425	\$ 2,202,687		\$ 2,202,687	\$ 2,217,944	7.79%
Apr-14	13.47%	0.00%	13.47%	\$ 1,225,450		\$ 1,225,450	\$ 1,491,228	\$ 200,866	\$ (117)	\$ 200,751	\$ 1,742,410		\$ 1,742,410	\$ 2,219,335	9.05%
May-14	15.84%	0.00%	15.84%	\$ 1,226,028		\$ 1,226,028	\$ 1,490,791	\$ 236,141	\$ (117)	\$ 236,024	\$ 1,989,424		\$ 1,989,424	\$ 2,231,610	10.63%
Jun-14	15.67%	0.00%	15.67%	\$ 1,411,065		\$ 1,411,065	\$ 1,497,182	\$ 234,608	\$ (117)	\$ 234,491					10.51%

Notes:  
Licking Valley Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.  
Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives  
Pass Through Mechanism Report for Licking Valley RECC

For the Month Ending June 2014

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Licking Valley	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Licking Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Licking Valley	Licking Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Licking Valley Net Revenue Requirement	Licking Valley Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Licking Valley Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Licking Valley Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col. (3) x Col. (7)		Col. (8) + Col. (9)			Col. (11) - Col. (12)		Col. (10) / Col. (14)
Jul-12	14.51%	0.00%	14.51%	\$ 1,550,009		\$ 1,550,009	\$ 1,403,665	\$ 203,675	\$ -	\$ 203,675	\$ 2,212,278		\$ 2,212,278	\$ 2,085,818	9.68%
Aug-12	14.13%	0.00%	14.13%	\$ 1,388,845		\$ 1,388,845	\$ 1,392,917	\$ 198,819	\$ -	\$ 198,819	\$ 1,987,788		\$ 1,987,788	\$ 2,078,725	9.44%
Sep-12	18.23%	0.00%	18.23%	\$ 1,197,094		\$ 1,197,094	\$ 1,390,209	\$ 225,831	\$ -	\$ 225,831	\$ 1,687,259		\$ 1,687,259	\$ 2,084,438	10.86%
Oct-12	17.57%	0.00%	17.57%	\$ 1,227,424		\$ 1,227,424	\$ 1,389,382	\$ 244,114	\$ -	\$ 244,114	\$ 2,022,838		\$ 2,022,838	\$ 2,075,751	11.71%
Nov-12	18.23%	0.00%	18.23%	\$ 1,590,599		\$ 1,590,599	\$ 1,401,715	\$ 255,533	\$ -	\$ 255,533	\$ 2,271,015		\$ 2,271,015	\$ 2,079,964	12.31%
Dec-12	14.61%	0.00%	14.61%	\$ 1,693,400		\$ 1,693,400	\$ 1,401,272	\$ 204,728	\$ -	\$ 204,728	\$ 2,712,774		\$ 2,712,774	\$ 2,075,560	9.84%
Jan-13	13.49%	0.00%	13.49%	\$ 1,789,127		\$ 1,789,127	\$ 1,403,690	\$ 189,358	\$ -	\$ 189,358	\$ 2,858,397		\$ 2,858,397	\$ 2,107,981	9.12%
Feb-13	12.61%	0.00%	12.61%	\$ 1,634,382		\$ 1,634,382	\$ 1,408,287	\$ 177,582	\$ -	\$ 177,582	\$ 2,388,468		\$ 2,388,468	\$ 2,124,690	8.42%
Mar-13	14.37%	0.00%	14.37%	\$ 1,675,598		\$ 1,675,598	\$ 1,448,701	\$ 208,178	\$ -	\$ 208,178	\$ 2,318,067		\$ 2,318,067	\$ 2,174,080	9.80%
Apr-13	14.27%	0.00%	14.27%	\$ 1,252,418		\$ 1,252,418	\$ 1,483,029	\$ 208,774	\$ -	\$ 208,774	\$ 1,725,716		\$ 1,725,716	\$ 2,173,873	9.60%
May-13	17.97%	0.00%	17.97%	\$ 1,231,265		\$ 1,231,285	\$ 1,464,584	\$ 283,182	\$ -	\$ 283,182	\$ 1,842,124		\$ 1,842,124	\$ 2,178,075	12.11%
Jun-13	17.09%	0.00%	17.09%	\$ 1,334,380		\$ 1,334,380	\$ 1,483,543	\$ 250,120	\$ -	\$ 250,120	\$ 2,058,044		\$ 2,058,044	\$ 2,171,730	11.49%
Jul-13	15.77%	0.00%	15.77%	\$ 1,415,429		\$ 1,415,429	\$ 1,452,328	\$ 229,032	\$ 8,046	\$ 237,078	\$ 2,230,547		\$ 2,230,547	\$ 2,173,253	10.92%
Aug-13	15.49%	0.00%	15.49%	\$ 1,348,400		\$ 1,348,400	\$ 1,448,958	\$ 224,444	\$ 7,528	\$ 231,972	\$ 1,938,345		\$ 1,938,345	\$ 2,169,133	10.87%
Sep-13	14.93%	0.00%	14.93%	\$ 1,175,383		\$ 1,175,383	\$ 1,447,149	\$ 218,059	\$ 7,528	\$ 223,587	\$ 1,817,259		\$ 1,817,259	\$ 2,164,966	10.31%
Oct-13	16.69%	0.00%	16.69%	\$ 1,148,033		\$ 1,148,033	\$ 1,440,533	\$ 240,425	\$ 7,528	\$ 247,953	\$ 1,958,227		\$ 1,958,227	\$ 2,159,415	11.45%
Nov-13	17.43%	0.00%	17.43%	\$ 1,524,376		\$ 1,524,376	\$ 1,435,014	\$ 250,123	\$ 7,528	\$ 257,651	\$ 2,421,009		\$ 2,421,009	\$ 2,171,915	11.93%
Dec-13	14.54%	0.00%	14.54%	\$ 1,758,368		\$ 1,758,368	\$ 1,440,428	\$ 209,438	\$ 7,528	\$ 216,968	\$ 2,871,954		\$ 2,871,954	\$ 2,185,180	9.99%
Jan-14	10.92%	0.00%	10.92%	\$ 2,231,183		\$ 2,231,183	\$ 1,477,284	\$ 161,317	\$ (518)	\$ 160,799	\$ 3,308,644		\$ 3,308,644	\$ 2,222,867	7.38%
Feb-14	5.44%	0.00%	5.44%	\$ 1,813,621		\$ 1,813,821	\$ 1,492,203	\$ 81,176	\$ -	\$ 81,176	\$ 2,442,787		\$ 2,442,787	\$ 2,227,392	3.65%
Mar-14	11.62%	0.00%	11.62%	\$ 1,690,867		\$ 1,890,887	\$ 1,493,475	\$ 173,542	\$ (117)	\$ 173,425	\$ 2,202,687		\$ 2,202,687	\$ 2,217,944	7.79%
Apr-14	13.47%	0.00%	13.47%	\$ 1,225,450		\$ 1,225,450	\$ 1,491,228	\$ 200,868	\$ (117)	\$ 200,751	\$ 1,742,410		\$ 1,742,410	\$ 2,219,335	9.05%
May-14	15.64%	0.00%	15.64%	\$ 1,226,026		\$ 1,228,026	\$ 1,490,791	\$ 236,141	\$ (117)	\$ 236,024	\$ 1,969,424		\$ 1,989,424	\$ 2,231,610	10.83%
Jun-14	15.67%	0.00%	15.67%	\$ 1,411,065		\$ 1,411,065	\$ 1,497,182	\$ 234,808	\$ (14,851)	\$ 219,757					9.85%

Notes:

Licking Valley Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues. Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

Licking Valley RECC  
PSC Case No. 2014-00051 3rd Information Request  
Response to Request 12

Request 12b.  
This question is addressed to all member cooperatives.

Response:

	Enviromental Surcharge No Recovery	778	Enviromental Surcharge 6 Months Recovery	
Average Residential Kwh Usage Jun-14		778		
Customer Charge	9.32	9.32	9.32	9.32
kWh Charge	0.09355	72.78	72.78	72.78
June 2014 FAC	0.00293	2.28	2.28	2.28
Sub Total		84.38		84.38
Surcharge June 2014	10.63%	8.97	9.85%	8.31
Total		93.35		92.69
Impact				-0.66

**13. This question is addressed to all member cooperatives.**

**13a. Provide the billing cycles and billing dates for each cycle in the month of July 2013.**

**RESPONSE:** Licking Valley has only one billing cycle. The meter reading dates/usage for July 2013 is between the dates of July 12, 2013 through August 13, 2013.

**13b. For each billing cycle in July 2013, provide the environmental surcharge factor that was billed to customers.**

**RESPONSE:** The environmental surcharge factor for July 2013 billing was 11.49%.

21. This question is addressed to Licking Valley Rural Electric Cooperative Corporation ("Licking Valley"). Refer to the response to Staff's Second Request, item 2b. Licking Valley did not indicate the revenue amount that the pass-through factor was applied to arrive at \$256,289 shown in Licking Valley's response to Staff's First Request, item 2a. Provide the requested information.

*Staff's Second Request for information: Item 2b. Using the month of July 2013 as an example, for the amount shown in the column titled "Billed to Retail consumer & Recorded on Member's Books," for your cooperative, provide the pass-through factor and the revenue amount to which it was applied to arrive at the amount shown.*

*RESPONSE 2b: For July 2013, the pass-through factor was 10.92%. Licking Valley RECC's net revenue requirements for the month totaled \$237,078. See Exhibit A.*

*Staff's First Request, item 2a. For each of the member distribution cooperatives, prepare a summary schedule showing the distribution cooperative's pass-through revenue requirement for the months corresponding with the six-month review. Include the two months subsequent to the billing period included in the applicable review period. Include a calculation of any additional over-or under-recovery amount the distribution cooperative believes needs to be recognized for the six-month review. Include all supporting calculations and documentation for the over-or under-recovery.*

*Response: See Exhibit A*

**RESPONSE:** Licking Valley misunderstood the request in the Staff's Second Request, Item 2b, and provided the net revenue requirement instead of the revenue amount to which the July 2013 factor was applied. The July 2013 factor of 10.92% was applied to the August 2013 revenues of \$1,938,345.

LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION

Accounting Period	Power Bill Date	EKPC (power bills)	LV RECC (billed to mems)	monthly	(over)/under cumulative	
<i>Environmental Surcharge started July 2005</i>						
July-05	July-05	69,818.00	38,553.00	31,265.00	31,265.00	
August-05	August-05	70,153.00	70,792.00	(639.00)	30,626.00	
September-05	September-05	122,637.00	121,562.00	1,075.00	31,701.00	
October-05	October-05	104,567.00	99,778.00	4,789.00	36,490.00	
November-05	November-05	117,226.00	108,920.00	8,306.00	44,796.00	Cumulative 6-month (Over)/Under Recovery
December-05	December-05	171,540.00	171,810.00	(270.00)	44,528.00	Case No. 2006-00131 \$ 44,526.00
January-06	January-06	82,337.00	78,323.00	4,014.00	48,540.00	
February-06	February-06	109,780.00	121,276.00	(11,496.00)	37,044.00	
March-06	March-06	105,570.00	102,985.00	2,585.00	39,629.00	
April-06	April-06	81,819.00	116,277.00	(34,458.00)	5,171.00	
May-06	May-06	86,375.00	109,031.00	(22,656.00)	(17,485.00)	
June-06	June-06	101,759.00	135,650.00	(33,891.00)	(51,376.00)	
July-06	July-06	121,546.00	122,104.00	(558.00)	(51,934.00)	
August-06	August-06	158,637.00	115,985.00	42,652.00	(9,282.00)	
September-06	September-06	109,972.00	112,497.00	(2,525.00)	(11,807.00)	
October-06	October-06	118,803.00	123,377.00	(4,574.00)	(16,381.00)	
November-06	November-06	108,148.00	130,573.00	(22,425.00)	(38,806.00)	
December-06	December-06	132,147.00	113,191.00	18,956.00	(19,850.00)	
January-07	January-07	123,850.00	125,825.00	(1,975.00)	(21,825.00)	
February-07	February-07	153,490.00	120,034.00	33,456.00	11,631.00	
March-07	March-07	121,082.00	100,141.00	20,941.00	32,572.00	
April-07	April-07	107,214.00	95,314.00	11,900.00	44,472.00	Cumulative 18-month (Over)/Under Recovery
May-07	May-07	84,691.00	83,952.00	739.00	45,211.00	
June-07	June-07	96,569.00	133,512.00	(36,943.00)	8,268.00	Case No. 2007-00378 \$ (36,258.00)
July-07	July-07	107,549.00	130,668.00	(23,119.00)	(14,851.00)	
August-07	August-07	141,060.00	121,941.00	19,119.00	4,288.00	
September-07	September-07	130,495.00	111,899.00	18,596.00	22,864.00	
October-07	October-07	98,609.00	118,706.00	(20,097.00)	2,767.00	
November-07	November-07	108,480.00	115,608.00	(7,128.00)	(4,361.00)	
December-07	December-07	113,298.00	131,077.00	(17,779.00)	(22,140.00)	
January-08	January-08	142,681.00	123,514.00	19,167.00	(2,973.00)	
February-08	February-08	102,913.00	93,189.00	9,724.00	6,751.00	
March-08	March-08	92,601.00	82,586.00	10,015.00	18,768.00	
April-08	April-08	69,850.00	62,282.00	7,568.00	24,334.00	
May-08	May-08	58,060.00	71,367.00	(13,307.00)	11,027.00	
June-08	June-08	74,662.00	76,730.00	(2,068.00)	8,959.00	
July-08	July-08	91,336.00	75,787.00	15,549.00	24,508.00	
August-08	August-08	83,582.00	74,806.00	8,776.00	33,284.00	
September-08	September-08	82,885.00	63,714.00	19,171.00	52,455.00	
October-08	October-08	76,451.00	73,730.00	2,721.00	55,176.00	Cumulative 18-month (Over)/Under Recovery
November-08	November-08	130,570.00	132,740.00	(2,170.00)	53,006.00	
December-08	December-08	141,039.00	135,944.00	5,095.00	58,101.00	Case No. 2009-00039 \$ 49,833.00
January-09	January-09	159,886.00	133,777.00	26,109.00	84,210.00	
February-09	February-09	147,504.00	157,149.00	(9,645.00)	74,565.00	
March-09	March-09	135,214.00	132,830.00	2,384.00	76,949.00	
April-09	April-09	110,322.00	111,564.00	(1,242.00)	75,707.00	Cumulative 6-month (Over)/Under Recovery
May-09	May-09	104,359.00	122,682.00	(18,323.00)	57,364.00	
June-09	June-09	113,592.00	123,987.00	(10,395.00)	46,969.00	Case No. 2009-00317 \$ (11,112.00)
July-09	July-09	117,660.00	142,219.00	(24,559.00)	22,430.00	
August-09	August-09	129,679.00	137,563.00	(7,884.00)	14,546.00	
September-09	September-09	116,423.00	135,294.00	(18,871.00)	(4,325.00)	
October-09	October-09	116,722.00	128,757.00	(12,035.00)	(16,360.00)	Cumulative 6-month (Over)/Under Recovery
November-09	November-09	90,020.00	103,611.00	(13,591.00)	(29,951.00)	
December-09	December-09	141,840.00	202,869.00	(61,029.00)	(90,980.00)	Case No. 2010-00021 \$ (32,443.00)
January-10	January-10	273,406.00	246,792.00	26,614.00	(64,368.00)	
February-10	February-10	251,822.00	219,838.00	31,984.00	(32,382.00)	
March-10	March-10	151,024.00	121,347.00	29,677.00	(2,705.00)	
April-10	April-10	48,908.00	8,215.00	40,693.00	37,988.00	Cumulative 6-month (Over)/Under Recovery
May-10	May-10	67,670.00	106,520.00	(38,850.00)	(862.00)	
June-10	June-10	148,536.00	161,215.00	(12,679.00)	(13,541.00)	Case No. 2010-00319

LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION

Accounting Period	Power Bill Date	EKPC (power bills)	LV RECC (billed to mems)	monthly	(over)/under cumulative	
July-10	July-10	200,622.00	261,328.00	(60,706.00)	(74,247.00)	
August-10	August-10	197,089.00	233,276.00	(38,187.00)	(110,434.00)	
September-10	September-10	131,109.00	80,811.00	50,298.00	(60,136.00)	
October-10	October-10	97,637.00	106,429.00	(8,792.00)	(68,928.00)	
November-10	November-10	154,714.00	175,446.00	(20,732.00)	(89,660.00)	Cumulative 6-month
December-10	December-10	321,268.00	274,679.00	46,589.00	(43,071.00)	(Over)/Under Recovery
January-11	January-11	304,850.00	315,869.00	(11,019.00)	(54,090.00)	Case No. 2011-00032 \$ (29,530.00)
February-11	February-11	106,993.00	90,254.00	16,739.00	(37,351.00)	
March-11	March-11	88,589.00	89,178.00	(589.00)	(37,940.00)	
April-11	April-11	129,794.00	120,265.00	9,529.00	(28,411.00)	
May-11	May-11	147,075.00	137,694.00	9,381.00	(19,030.00)	
June-11	June-11	194,025.00	173,415.00	20,610.00	1,580.00	
July-11	July-11	222,377.00	226,460.00	(4,083.00)	(2,603.00)	
August-11	August-11	199,362.00	178,869.00	20,493.00	17,990.00	
September-11	September-11	138,697.00	115,255.00	23,442.00	41,432.00	
October-11	October-11	148,604.00	167,617.00	(19,013.00)	22,419.00	
November-11	November-11	214,227.00	218,956.00	(4,729.00)	17,690.00	
December-11	December-11	256,676.00	277,959.00	(21,283.00)	(3,593.00)	
January-12	January-12	250,111.00	229,966.00	20,145.00	16,552.00	
February-12	February-12	190,952.00	175,010.00	15,942.00	32,494.00	
March-12	March-12	128,325.00	126,486.00	1,839.00	34,333.00	Order final on 8/2/13
April-12	April-12	139,597.00	150,229.00	(10,632.00)	23,701.00	Cumulative 18-month
May-12	May-12	181,197.00	184,810.00	(3,613.00)	20,088.00	(Over)/Under Recovery
June-12	June-12	227,580.00	242,466.00	(14,886.00)	5,202.00	Case No. 2012-00486 \$ 48,273.00
July-12	July-12	241,025.00	232,527.00	8,498.00	13,700.00	
August-12	August-12	201,232.00	192,418.00	8,814.00	22,514.00	
September-12	September-12	169,148.00	157,336.00	11,812.00	34,326.00	Order final on 9/17/13
October-12	October-12	199,211.00	219,687.00	(20,476.00)	13,850.00	Cumulative 6-month
November-12	November-12	279,468.00	265,943.00	13,525.00	27,375.00	(Over)/Under Recovery
December-12	December-12	308,707.00	333,987.00	(25,280.00)	2,095.00	Case No. 2013-00140 \$ (3,106.00)
January-13	January-13	261,392.00	281,271.00	(19,879.00)	(17,784.00)	
February-13	February-13	220,474.00	217,823.00	2,651.00	(15,133.00)	
March-13	March-13	211,292.00	194,973.00	16,319.00	1,186.00	Order final on 3/21/14
April-13	April-13	179,972.00	169,140.00	10,832.00	12,018.00	Cumulative 6-month
May-13	May-13	175,702.00	176,842.00	(1,140.00)	10,878.00	(Over)/Under Recovery
June-13	June-13	239,788.00	249,273.00	(9,485.00)	1,393.00	Case No. 2013-00324 (701.00)
July-13	July-13	241,896.00	256,288.00	(14,392.00)	(12,999.00)	
August-13	August-13	212,327.00	211,666.00	661.00	(12,338.00)	
September-13	September-13	182,066.00	172,562.00	9,504.00	(2,834.00)	
October-13	October-13	171,401.00	201,686.00	(30,285.00)	(33,119.00)	Cumulative 6-month
November-13	November-13	254,419.00	277,233.00	(22,814.00)	(55,933.00)	(Over)/Under Recovery
December-13	December-13	306,483.00	342,544.00	(36,061.00)	(91,994.00)	Case No. 2014-00051 (93,387.00)
		15,357,911.00	15,449,905.00		(91,994.00)	

SUM OF ALL CASES \$ (63,905.00)  
Please note the "Sum of All Cases" does not reflect the over- or under-recoveries experienced when those were handled through a 2-month true-up adjustment to the pass-through factor.